

Department of Employee Trust Funds
LOCAL HEALTH INSURANCE ADMINISTRATION MANUAL

CHAPTER 10 — EMPLOYEE DEATH

1001 Surviving Spouse and Dependents

1002 Surviving Spouse who is also an Employee Eligible for Coverage

1001 Surviving Spouse and Dependents

In the event an employee or annuitant with family health coverage dies, the surviving spouse and/or eligible dependents may continue coverage at group rates as long as the former employer participates in the Wisconsin Public Employers Group Health Insurance program. The surviving spouse may continue coverage indefinitely; dependent children (as defined under the program) may continue coverage as long as they remain eligible under the program.

Upon notification of the death of an employee or annuitant, the surviving spouse and dependents will be contacted directly by ETF about continuation rights under this provision. Both surviving spouse and dependents have the option for continuation. In order for the insured spouse and dependent(s) of a deceased employee/annuitant to continue coverage, a *Group Health Insurance Application* (ET-2301) must be received by ETF within 90 days after the date of death or 30 days of the date ETF provides notice of the right to continue coverage as a survivor, whichever is later. Coverage will become effective the first of the month following the date of the employee or annuitant death. Premiums will be deducted from any WRS annuity the dependent may be receiving. If there is no annuity, or the annuity is insufficient to allow for the deduction of the premium, the survivor must pay the premium directly to the health plan.

Survivors may not add persons to the policy who were not covered at the time of death, unless the individual was previously insured under the contract of the deceased employee and regains eligibility.

Should the surviving spouse (or annuitant) and dependent(s) not elect to continue coverage, coverage will end with the last day of the month for which premiums have been paid.

1002 Surviving Spouse who is also an Employee Eligible for Coverage

If an employee with family coverage dies, and the surviving spouse is also an eligible employee, the insured surviving spouse has two options:

- A. Enroll as the surviving spouse and retain coverage indefinitely as indicated in Subchapter 1001. Premiums will be paid through the WRS annuity or directly to the health plan.

OR

- B. Enroll as an employee and receive the employer contribution share toward premium. However, with this option, the right to continue coverage indefinitely as a surviving spouse is forfeited. Eligibility to continue coverage upon termination of employment due to retirement is dependent upon the spouse meeting the retirement eligibility requirements. (Refer to Chapter 8.) Should the retirement eligibility requirement not be met, the spouse may be eligible for continuation or conversion. (Refer to Chapter 7.)